

## BOARD OF SELECTMEN

Minutes of the Meeting of 11 January 2005 at 4:00 PM. The meeting took place in the Court Room, Town and County Building, Nantucket, MA 02554. Members of the Board present were Bruce Watts, Michael Glowacki, Robert F. Murphy, Douglas Bennett and Timothy Soverino. Chairman Soverino called the meeting to order at 4:00 PM.

Discussion Concerning Fiscal Year 2006 General Fund Budget Recommendations. Town Administrator Libby Gibson made some clarifications concerning a presentation she gave at the Board's meeting of January 5, 2005 in connection with the fiscal year 2006 general fund budget. Ms. Gibson explained the supplemental requests from each department and reasons why she has either recommended or not recommended funding. Some discussion followed regarding specific departmental requests.

Finance Director Connie Voges spoke on the Stabilization Fund and provided proposed elements of a "Nantucket Stabilization Policy." Ms. Voges recommended that the Board should set a goal of 3% of the preceding year's general fund revenue as a minimum to be maintained in the Stabilization Fund, which for fiscal year 2006 would be approximately \$1,647,319. Ms. Voges recommended that the "free cash," which she hopes will be certified prior to the end of this fiscal year, to be used strictly to fund the Stabilization account. Some general discussion followed concerning this matter and it was unanimously agreed to recess this meeting at 5:15 PM, to continue discussion on Thursday, January 13, 2005 at 4:00 PM.

The meeting was reconvened at 4:05 PM on January 13, 2005 at the Land Bank Conference Room, 22 Broad Street. Members of the Board present were Timothy Soverino, Robert F. Murphy, Michael Glowacki, Douglas Bennett and Bruce Watts.

Finance Director Connie Voges reviewed a "Stabilization Fund Policy" which she drafted and some discussion followed. Mr. Bennett inquired as to the specifics of the policy and Ms. Voges clarified what she had explained at the previous meeting; the fund would initially be comprised of an initial amount equivalent to 3% of the Town's prior year's revenue with subsequent yearly additions to the fund to maintain that 3% level. After some additional discussion, Mr. Glowacki moved to adopt the policy, effective immediately; seconded by Mr. Watts. So voted unanimously.

Discussion continued about the proposed \$4 million override that the Town Administrator has recommended. Chairman Soverino questioned whether there is enough time to educate the voters that an override is essential this year. Discussion then focused on the Finance Committee and the necessity that all of these committee members be "on board" with an override. It was noted that in past years, the Board has submitted a budget to the Finance Committee with an override, but the Finance Committee has not supported it. Chairman Soverino questioned whether it would not be more prudent to submit the budget, as presented by the Town Administrator, to the Finance Committee without an override request this year with the commitment to start very early in the process this year to work for an override in fiscal year 2007. A lengthy discussion followed concerning this issue and Mr. Watts and Mr. Murphy stated they are not ready today to make a decision on whether to vote for the proposed \$4 million override, vote for no override, or possibly vote on a compromise override of a lesser amount. It was agreed that the Board will further discuss the matter on January 25, 2005.

There being no further business before the Board, the meeting was unanimously adjourned at 5:30 PM.

Approved the 31<sup>st</sup> day of January 2005.